COUNCIL OF THE DISTRICT OF COLUMBIA

NOTICE

D.C. LAW 5-160

"Life Insurance Amendments Reform Act of 1984".

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P. L. 93-198, "the Act", the Council of the District of Columbia adopted Bill No. 5-471 on first and second readings, November 20, 1984 and December 4, 1984, respectively. Following the signature of the Mayor on December 7, 1984, this legislation was assigned Act No. 5-225, published in the January 4, 1985 edition of the D.C. Register, (Vol. 32 page 39) and transmitted to Congress January 8, 1985 for a 30-day review, in accordance with Section 602 (c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired, and therefore, cites this enactment as D.C. Law 5-160, effective March 14, 1985.

DAVID A. CLARKE
Chairman of the Council

Dates Counted During the 30-day Congressional Review Period:

January	22,23,24,25,28,29,30,31
February	1,4,5,6,7,19,20,21,22,25,26,27,28
March	1,4,5,6,7,8,11,12,13

D.C. LAW 5-160

EFFECTIVE DATE MAR 14 1985

Enrolled Original

AN ACT

D.C. ACT 5-225

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

DEC 07 1984

To amend the Life Insurance Act and the Fire and Casualty Act to reform insurance organizations, contracts, and policies.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Life Insurance Amendments Reform Act of 1984".

Sec. 2. The Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1063; D.C. Code, sec. 35-1501 et seq.), is amended as follows:

(a) The last paragraph in section 3 of chapter 2 (D.C. Code, sec. 35-1506(b)) is amended by striking "$200" and inserting "$10,000 for any violation, or not more than $25,000 for intentional violations," in its place. D.C. Code, sec 35-1506 (1985 supp.)

(b) The last paragraph in section 36 of chapter 2 (D.C. Code, sec. 35-1540(b)) is amended by striking "$200" and inserting "$3,000 for any violation or not more than $10,000 for intentional violations," in its place. D.C. Code, sec 35-1540 (1985 supp.)

Sec. 3. The Life Insurance Act, approved June 19, 1934 (48 Stat. 1125; D.C. Code, sec. 35-301 et seq.), is amended as follows:

(a) The last paragraph in section 6 of chapter 2 (D.C. Code, sec. 35-405(b)) is amended by striking "$200" and D.C. Code, sec 35-405 (1985 supp.)

inserting "$10,000 for any violation or not more than $25,000 for intentional violations," in its place.

(b) The last paragraph in section 27 of chapter 2 (D.C. Code, sec. 35-426(c)) is amended to read as follows: D.C. Code, sec. 35-426 (1985 supp.)

"Rather than revoking or suspending the license of a general agent, agent, solicitor, or broker after a hearing and for causes enumerated in this section, the Superintendent may subject the person to a penalty of not more than $5,000 when the Superintendent finds that the public interest would be best served by not revoking or suspending the license.".

(c) Chapter 3 (D.C. Code, sec. 35-601 et seq.) is amended by adding new sections 42 through 51 to read as follows:

"SEC. 42. EFFECT OF MERGER OR CONSOLIDATION.- New, D.C. Code, sec. 35-640 (1985 supp.)

"(a)(1) When a merger or consolidation has been completed, the merging or consolidating companies shall be a single company.

"(2) For a merger, the single company shall be the one designated in the plan as the surviving company and, for a consolidation, shall be the new company described in the plan.

"(b) The separate existence of the merging or consolidating companies shall cease.

"(c) The surviving or new company shall have the rights, the privileges, the immunities, and the powers and shall be subject to the duties and liabilities of a life company organized under the Life Insurance Act, approved

June 19, 1934 (48 Stat. 1125; D.C. Code, sec. 35-301 et seq.).

"(d)(1) The surviving or the new company shall have the rights, the privileges, the immunities, and the franchises of each of the merging or consolidating companies.

"(2) All property interests, debts, claims, or other interests belonging to the merging or the consolidating companies shall be transferred automatically to the single company.

"(3) Realty interests vested in the merging or the consolidating companies shall not revert or be impaired because of the merger or the consolidation.

"(e)(1) The surviving or the new company shall be responsible for obligations of the merging or the consolidating companies.

"(2) A claim involving one of the merging or consolidating companies may be litigated as though the merger or the consolidation had not taken place or with the single company replacing the merging or the consolidating company.

"(3) Neither the rights of creditors nor any liens upon the property of a merging or consolidating company shall be impaired by the merger or the consolidation.

"(f)(1) For a merger, the articles of incorporation of the surviving company shall be considered amended to the extent that the articles of merger described changes in the articles of incorporation.

"(2) For a consolidation, articles of consolidation provisions required or permitted in the articles of incorporation of life companies shall be considered the articles of incorporation of the new company.

"(g) The aggregate amount of the net assets of the merging or the consolidating companies available for the payment of dividends immediately before the merger or the consolidation, to the extent that the amount cannot be transferred to stated capital, shall continue to be available for the payment of dividends by the surviving or the new company.

"SEC. 43. PROCEDURE FOR MERGER OF DOMESTIC COMPANIES.-

New, D.C. Code, sec. 35-641 (1985 supp.)

"(a) Two or more domestic life companies may merge into one company.

"(b) The board of directors of each company shall, by resolution adopted by a majority vote of the members of the boards, approve a plan of merger that lists the following:

"(1) The names of the companies proposing to merge.

"(2) The name of the surviving company the merging companies would become.

"(3) The terms and the conditions of the proposed merger.

"(4) The manner and the basis of converting the shares or memberships of each merging company into:

"(A) Shares, memberships, or other securities of the surviving company.

"(B) Shares or other securities of another company.

"(C) Cash or property.

"(5) Changes in the articles of incorporation of the surviving company.

"(6) Other provisions with respect to the proposed merger as are deemed necessary or desirable.

"SEC. 44. PROCEDURE FOR CONSOLIDATING DOMESTIC COMPANIES.-

New,
D.C. Code, sec.
35-642
(1985 supp.)

"(a) Two or more domestic life companies may consolidate into a new company.

"(b) To consolidate, the board of directors of each consolidating company, by resolution adopted by majority vote of the members of the boards, shall approve a plan of consolidation listing the following:

"(1) The names of the companies proposing to consolidate.

"(2) The name of the new company into which they propose to consolidate.

"(3) The terms and conditions of the proposed consolidation.

"(4) The manner and the basis of converting the shares or memberships of each company into:

"(A) Shares, memberships, or other securities of the new company.

"(B) Shares or other securities of another company.

"(C) Cash or property.

"(5) The articles of incorporation for domestic companies organized under chapter 3 of the Life Insurance Act, approved June 19, 1934 (48 Stat. 1143; D.C. Code, sec. 35-601 et seq.).

"(6) Other provisions with respect to the proposed consolidation as are deemed necessary or desirable.

"SEC. 45. MERGER OR CONSOLIDATION OF DOMESTIC AND FOREIGN COMPANIES.-

New, D.C. Code, sec. 35-643 (1985 supp.)

"(a) Foreign and domestic life companies may be merged or consolidated if the laws where each company is organized permit the merger or the consolidation.

"(b) If the surviving or the new company is governed by a foreign jurisdiction, then the surviving or the new company shall comply with chapter 4 of the Life Insurance Act, approved June 19, 1934 (48 Stat. 1154; D.C. Code, sec. 35-701), before transacting life insurance business in the District of Columbia.

"(c) Except as provided in subsection (d), the surviving or the new company shall present the following to the Mayor:

"(1) An agreement to be amenable to services of process in the District of Columbia for any litigation brought either against the surviving or the new company or against one of the merging or the consolidating companies.

"(2) An irrevocable appointment of the Superintendent as the surviving or the new company's agent to accept service of process.

"(3) A post office address where the Mayor may mail a copy of a process served upon the Superintendent as agent of the surviving or the new company.

"(4) An agreement that the surviving or the new company will promptly pay to dissenting shareholders of domestic companies involved in the merger or the consolidation the amount that section 49 enables dissenters to obtain.

"(d) Failure to file the appointment described in subsection (c)(2) shall not invalidate service made upon the Superintendent as agent of the company.

"(e)(1) Except as provided in paragraph (2), a merger or a consolidation under this section shall be the same as a merger or a consolidation of domestic companies creating a surviving or a new company governed by the District of Columbia.

"(2) If the surviving or the new company shall be governed by a foreign jurisdiction, the merger or the consolidation shall be the same as a merger or a consolidation of domestic companies except insofar as the laws of the foreign jurisdiction provide otherwise.

"SEC. 46. APPROVAL BY MAYOR.-

New, D.C. Code, sec 35-644 Note, D.C. Code, sec. 35-2003 (1985 supp.)

"(a) The plan of merger or of consolidation and the filings required by section 4 of the Holding Company System Regulatory Act, approved August 24, 1974 (88 Stat. 753; D.C. Code, sec. 35-2003), shall be mailed to shareholders, to members, or to policyholders of the domestic merging and consolidating companies, and shall be filed with the Mayor according to section 4 of the Holding Company System

Regulatory Act.

"(b) A life company aggrieved by the Mayor's decision to disapprove a plan of merger or of consolidation with the Mayor under subsection (a) shall have the rights, under section 4 of the Holding Company System Regulatory Act, to judicial review of the decision.

"SEC. 47. PROCEDURES BEFORE VOTING.-

New, D.C. Code, sec. 35-645 (1985 supp.)

"(a)(1) After approval from the Mayor, the board of directors shall, by resolution, direct that the plan of merger or of consolidation be voted upon at a meeting of the shareholders, the members, or the policyholders of record and entitled to vote.

"(2) The vote may be conducted at either an annual or a special meeting.

"(b) Written notice shall be delivered at least twenty days before the meeting, either personally or by mail, to each shareholder, member, or policyholder.

"(c) The notice shall state the place, the time, and the purpose of the meeting, and a copy or a summary of the plan of merger or of consolidation shall be delivered with the notice.

"(d) The notice shall also summarize dissenting shareholders' rights under section 49.

"SEC. 48. APPROVAL BY SHAREHOLDERS.-

New, D.C. Code, sec. 35-646 (1985 supp.)

"(a) The plan of merger or of consolidation shall be approved by the affirmative vote of the holders of two-thirds of the outstanding shares of each company unless two or more classes of shares have been issued for any of the companies.

"(b) If the company has issued two or more classes of shares, the plan of merger or of consolidation shall be approved by the affirmative vote of at least two-thirds of the outstanding shares of each class.

"(c) For a mutual company, each member or policyholder entitled to vote shall have one vote, regardless of the amount of insurance or number of policies held by the individual.

"SEC. 49. RIGHTS OF DISSENTING SHAREHOLDERS.-

New, D.C. Code, sec. 35-647 Note, D.C. Code sec. 28-3302 (1985 supp.)

"(a)(1)(A) If, by the date of shareholder meeting described in section 48, a shareholder of a domestic merging or consolidating company files with the company a written objection to the merger or the consolidation and does not vote for the action and if, within twenty days after the merger or consolidation, the shareholder makes a written demand to the surviving or the new company for payment of the fair market value of the dissenting shareholder's shares, then the surviving or new company shall pay the shareholder the value of the shares.

"(B) The fair market value of the shares shall equal the market value on the day before the shareholders vote.

"(2) The company shall make the payment when the dissenter surrenders the dissenter's certificate of share ownership.

"(3) The demand shall state the number and the class of the shares owned by the dissenting shareholder.

"(4) Any shareholders failing to make the demand described in subsection (a)(1) within the twenty-day period shall have their interests in the company and their shares limited by the terms of the merger or consolidation.

"(b)(1) If, within thirty days after the completion of the merger or consolidation, the dissenting shareholder and the surviving or new company agree upon the value of the shares, then the company shall pay the agreed upon value, according to subsection (a)(2), within ninety days after the merger or the consolidation becomes complete.

"(2) When the company pays the agreed upon value, the dissenting shareholder shall cease having an interest either in the shares or in the company.

"(c)(1) If, at the end of the thirty-day period described in subsection (b)(1), the dissenting shareholder and the surviving or new company do not agree upon the value of the shares, then, within sixty days after the thirty-day period ends, the dissenting shareholder may file a petition in the Superior Court of the District of Columbia asking for a determination of the fair value of the shares.

"(2) The dissenter filing a timely petition shall be entitled to judgment against the surviving or new company for the amount the court determines to be the fair value, and shall also be entitled to interest at the rate described in D.C. Code, sec. 28-3302.

"(2) The dissenter filing a timely petition shall be entitled to judgment against the surviving or new company for the amount the court determines to be the fair value, and shall also be entitled to interest at the rate described in D.C. Code, sec. 28-3302.

"(3) The costs of the proceeding may, be determined by the court and may be apportioned by the court against the parties.

"(4) Some factors the court may consider while making the apportionment described in paragraph (3) shall be the following:

"(A) Whether the fair value of the shares substantially exceeds the amount the company offered to pay.

"(B) Whether the dissenting shareholder rejected the company's offer and brought the action in good faith.

"(C) Whether the company failed to make an offer.

"(5) The judgment shall be payable after the dissenting shareholder complies with subsection (a)(2).

"(6) Any dissenting shareholder failing to petition within the sixty-day period described in paragraph (1) shall have his or her interests in the company and in his or her shares, as well as the interests of people claiming under the dissenter, limited by the terms of the merger or the consolidation.

"(d) The right of a dissenter to receive the fair value for shares shall cease when the company abandons the merger or consolidation.

"SEC. 50. ARTICLES OF MERGER OR CONSOLIDATION.- New, D.C. Code, sec. 35-648 (1985 supp.)

"(a) Upon shareholder approval of the merger or consolidation, articles of merger or consolidation shall be executed in duplicate by the president of each company, attested by the secretary of each company, and the corporate seal of each company shall be stamped on the articles.

"(b) The articles shall list the following:

"(1) The plan of merger or consolidation.

"(2) For each company, the number of members, policyholders, or shares outstanding and, if two or more classes of shares have been issued, the designation of each class and the number of shares outstanding in each class.

"(3) For each company, the number of members, policyholders, or shares voting for the plan and the number voting against the plan and, if two or more classes of shares have been issued, the number of shares of each class voting for the plan and the number voting against the plan.

"(c)(1) The articles shall be filed with the Mayor.

"(2) The Mayor shall charge a fee for filing the articles.

"(3) If both the form of the articles and the fee payment comply with this section, then the Mayor shall perform the following:

"(A) State the date of the filing and the word 'filed' on the duplicates.

"(B) Keep one of the duplicates.

"(C) Send to the new or surviving company both the other duplicate and a certificate of merger or consolidation.

"SEC. 51. DATE MERGER OR CONSOLIDATION COMPLETED.-

New,
D.C. Code, sec.
35-649
(1985 supp.)

"The merger or consolidation shall be complete when the Mayor issues under section 50(c)(3)(C) the certificate of merger or consolidation to the new or surviving company.".

(d) Section 1 of chapter 5 (D.C. Code, sec. 35-501) is amended as follows:

(1) Subsection (c)(1) (D.C. Code, sec. 35-501(c)(2)) is amended as follows:

D.C. Code, sec. 35-501 (1985 supp.)

(A) By striking the words "of this subsection" after the phrase "paragraph (3)" and by inserting the words "and subsection (d)" in their place; and

(B) By striking the words "the effective date of the Standard Valuation and Nonforfeiture Amendments Emergency Act of 1978" and inserting the words "October 13, 1978" in their place.

(2) Subsection (c)(1)(i) (D.C. Code, sec. 35-501(c)(2)(A)) is amended as follows:

(A) By striking the words "such policies issued on or after such operative date" after the phrase "Mortality Table for" and by inserting the words "category of the policies issued on or after the operative date of the fifth operative date of the fifth paragraph in section 5b(d) and before the operative date for the category of policies described in section 5b(e)" in their place; and

(B) By striking the "." at the end and inserting in its place the following:

"and for any category of the policies issued on or after the operative date for the category described in section 5b(e), the Commissioners 1980 Standard Ordinary

Mortality Table, or at the election of the company for any one or more specified plans of life insurance, the Commissioners 1980 Standard Ordinary Mortality Table with Ten-Year Select Mortality Factors or any ordinary mortality table adopted after 1980 by the National Association of Insurance Commissioners and approved by the Superintendent for determining the minimum standard for valuing the policies.".

(3) Subsection (c)(1)(ii) (D.C. Code, sec. 35-501(c)(2)(B)) is amended as follows:

(A) By striking the words "the Commissioners 1961 Standard Industrial Mortality Table";

(B) By striking the "." and inserting the phrase " ,the Commissioners 1961 Standard Industrial Mortality Table or any industrial mortality table adopted after 1980 by the National Association of Insurance Commissioners and approved by the Superintendent for determining the minimum standard for valuing the policies" in its place; and

(C) By adding immediately after the words "on female risks" the words "and evaluated by either the 1941 Standard Industrial Mortality Table or the Commissioners 1961 Standard Industrial Mortality Table,".

(4) Subsection (c)(1)(v) (D.C. Code, sec. 35-501(c)(2)(E)) is amended by adding after the words "with due regard to the type of benefit" the words ", or any tables of disablement rates and termination rates adopted after 1980 by the National Association of Insurance

Commissioners and approved by the Superintendent for determining the minimum standard for valuing the policies".

(5) Subsection (c)(1)(vi) (D.C. Code, sec. 35-501(c)(2)(F)) is amended as follows:

(A) By adding after the words "1959 Accidental Death Benefits Table" the words "or any accidental death benefits table adopted after 1980 by the National Association of Insurance Commissioners and approved by the Superintendent for determining the minimum standards for valuing the policies"; and

(B) By striking, in the last sentence, the words "Either table" and inserting the words "The tables" in their place.

(6) Subsection (c)(2) (D.C. Code, sec. 35-501(c)(3)(A)) is amended by striking the word "The" and inserting the words "Except as provided in subsection (d), the" in its place.

(7) Subsection (c)(2)(i) (D.C. Code, sec. 35-501(c)(3)(A)(i)) is amended by striking the words "or any modification of this table" and inserting the words ", any individual annuity mortality table adopted after 1980 by the National Association of Insurance Commissioners and approved by the Superintendent for determining the minimum standard for valuing the contracts, or any modification of the tables" in their place.

(8) Subsection (c)(2)(ii)) (D.C. Code, sec. 35-501(c)(3)(A)(ii) is amended by striking the words "or any modification of this table" and inserting the the words ",

any individual annuity mortality table adopted after 1980 by the National Association of Insurance Commissioners and approved by the Superintendent for determining the minimum standard for valuing the contracts, or any modification of the tables" in their place.

(9) Subsection (c)(2)(iii) (D.C. Code, sec. 35-501(c)(3)(A)(iii)) is amended by striking the words "or any modification of this table" and inserting the words ", any group annuity mortality table adopted after 1980 by the National Association of Insurance Commissioners and approved by the Superintendent for determining the minimum standard for valuing the annuities and the pure endowments, or any modification of the tables" in their place.

(10) The last paragraph in subsection (c)(2) (D.C. Code, sec. 35-501(c)(3)(B)) is amended by striking the words "the effective date of the Standard Valuation and Nonforfeiture Amendments Emergency Act of 1978" and inserting the words "October 13, 1978" in their place.

(11) Subsection (c)(3) (D.C. Code, sec. 35-501(c)(4)) is amended to read as follows:

"(3)(A) Except as provided in paragraph (4) and in subsection 20, and according to the reserve valuation method, reserves for life insurance and endowment benefits from policies providing uniform amounts of insurance and requiring uniform premium payments shall be the excess of the present value, on the valuation date, of the future guaranteed benefits from the policies over the then present value of any future modified net premiums.

(B) The modified net premiums shall be a uniform percentage of the respective premiums that makes the present value, on the issuance date, of all modified net premiums equal the sum of the then present value of the benefits and the excess of the amount described in sub-subparagraph (i) over the amount described in sub-subparagraph (ii).

"(i) Except as provided in subparagraph (C), a net level annual premium equal to the present value, on issuance date, of the benefits provided after the first policy year, divided by the present value, on issuance date, of an annuity of one per year to be paid on every anniversary of the policy for which a premium becomes due.

"(ii) A net one-year term premium for the benefits provided in the first policy year.

"(C) The net level annual premium described in subparagraph (B)(i) shall not exceed the net level annual premium or the nineteen-year premium whole life plan for insuring the same amount at an age one year higher than the age at issuance in the policy.".

(12) Subsection (c) (D.C. Code, sec. 35-501(c)) is amended by adding the following:

"(3a)(A) This paragraph governs life insurance policies issued after December 31, 1986, when the policies have the following features:

"(i) The premium for the first year of the life insurance policy exceeds the premium for the second year.

"(ii) The policy does not provide an additional benefit in the first year of the policy for the amount that the first-year premium exceeds the premium for the second year.

"(iii) The policy provides an endowment benefit or a cash surrender value that exceeds the difference in the first year and the second year premiums.

"(B) Except as provided in section 2, and according to the reserve valuation method on any policy anniversary that takes place no later than the first year after a life insurance policy provides an endowment benefit or a cash surrender value that, together, exceeds the difference in the premiums described in subparagraph (A)(i), the reserve shall be the greater of the following amounts:

"(i) The reserve on the policy anniversary as described in paragraph (3).

"(ii) The reserve on the policy anniversary as described in paragraph (3), but with the amount described in paragraph (3)(B)(i) reduced by 15 per centum of the excess first year premium; with present values of benefits and premiums determined without reference to premiums or benefits after the first year after a life insurance policy provides an endowment benefit or a cash surrender value that, together, exceeds the difference in the premiums described in subparagraph (A)(i), with an assumption that the policy will mature as an endowment on that date; and with the cash surrender value provided on that date regarded as an endowment benefit.

"(C) For the comparison described in subparagraph (B), the mortality and interest bases described in paragraphs (2) and (3) and in subsection (d)(2) and (3) shall apply.".

(13) Subsection (c)(5) (D.C. Code, sec. 35-501(c)(6) is amended to read as follows:

"(5) In no event shall a company's aggregate reserves for all life insurance policies, excluding disability and accidental death benefits, be less than the aggregate reserves calculated according to the method described in paragraph (3), in subsection (e), in section 20, and in the mortality tables and rates of interest used to calculate nonforfeiture benefits for the policies.".

(14) Section 1 (D.C. Code, sec. 35-501) is amended by adding the following:

"(d)(1) The calendar year statutory valuation interest rates shall be the interest rates used to determine the minimum standard for valuing the following:

"(A) Life insurance benefits under section 5b and issued no earlier than the operative date for policies under section 5b(e).

"(B) All annuities and pure endowments purchased under group annuity and pure endowments contracts after December 31, 1983.

"(C) Except as provided in subparagraphs (A) and (B), all life insurance benefits, individual annuity contracts, and pure endowment contracts issued after December 31, 1983.

"(D) In a calendar year following December 31, 1983, the net increase of amounts held under guaranteed interest contracts.

"(2) The calendar year statutory valuation interest rates shall be determined according to the equations described in this paragraph, and the results from the equations shall be rounded to the nearest 1/4 per centum.

"(A) For life insurance, the equation for determining the calendar year statutory valuation interest rates is the following:

"I=.03 + W(R-.03) + w/2 (R2 - .09).

"(B) For single premium immediate annuities and for annuity benefits involving life contingencies arising from other annuities with cash settlement options and from guaranteed interest contracts with cash settlement options,

I = .03 + W (R - .03)

where R/1 is the lesser of R and .09,

R/2 is the greater of R and .09,

R is the reference interest rate described in paragraph (4)

and W is the weighting factor.

"(C) Where cash settlement options are

valued on an issue year basis, the formula in subparagraph (A) shall apply to annuities and guaranteed interest contracts with guarantee duration exceeding ten years and the formula in subparagraph (B) shall apply to annuities and guaranteed interest contracts with guarantee duration of ten years or less.

"(D) Where no cash settlement options apply, the formula for single premium immediate annuities stated in subparagraph (B) shall apply.

"(E) Where cash settlement options are valued on a change in fund basis, the formula for single premium immediate annuities stated in subparagraph (B) shall apply.

"(F)(i) If the calendar year statutory valuation interest rate for life insurance policies for a calendar year differs from the actual interest rate for similar policies issued in the preceding calendar year by less than 1/2 per centum, the calendar year statutory valuation interest rate shall equal the corresponding actual interest rate for the preceding calendar year.

"(ii) The calendar year statutory valuation interest rate shall be determined for each calendar year regardless of when section 5b(e) becomes operative.

"(3) The weighting factors in the paragraph (2)(A) and (B) equations are as follows:

"(A) Weighting factors for life insurance:

"Guarantee Duration (Years)	Weighting Factors
"Ten or less	.50
"More than ten, but not more than twenty	.45
"More than twenty	.35

"For life insurance, the guarantee duration is the maximum number of years the life insurance can remain in force on a basis guaranteed in the policy or under options to convert to plans of life insurance with premium rates or nonforfeiture values, or both, which are guaranteed in the original policy.

"(B) Weighting factor for single premium immediate annuities and for annuity benefits involving life contingencies arising from other annuities with cash settlement options and from guaranteed interest contracts with cash settlement options:

".80

"(C) Except as provided in subparagraph (B), weighing factors for other annuities and for guaranteed interest contracts shall be specified in the following sub-subparagraphs.

"(i) For purposes of this subsection, the following plan types apply:

"'Plan Type A' means that, unless the company prohibits a withdrawal, the policyholder may withdraw funds with an adjustment to reflect changes in interest rates or asset values since the company received the funds; without adjustment, but in installments for five years or more; or as an immediate life annuity.

"'Plan Type B' means that, before the interest rate guarantee expires, and unless the company prohibits a withdrawal, the policyholder may withdraw funds with an adjustment to reflect changes in interest rates or asset values since the company received the funds; without the adjustment, but in installments for five years or more; or, after the interest rate guarantee ends, in a lump sum without the adjustment or in installments lasting less than five years.

"'Plan Type C' means that, before the interest rate guarantee expires, the policyholder may withdraw funds in a lump sum or in installments lasting less than five years, and either without the withdrawal being adjusted to reflect changes in interest rates or asset values since the company received the funds or with the withdrawal subject only to a fixed surrender charge stipulated in the contract as a percentage of the fund.

"(ii) Weighting factors for annuities and guaranteed interest contracts valued on an issue year basis:

"Guarantee Duration (Years)	"Weighting Factor for Plan Type A	B	C
"Five or less:	.80	.60	.50
"More than 5, but not more than 10:	.75	.60	.50
"More than 10, but not more than 20:	.65	.50	.45
"More than 20:	.45	.35	.35

"(iii) For annuities and guaranteed interest contracts valued on a change in fund basis, the factors shown in subparagraph (ii) increased by:	Plan Type A	B	C
	.15	.25	.05

"(iv) For annuities and guaranteed interest contracts valued on an issue year basis (other than those with no cash settlement options) and which do not guarantee interest on considerations received more than one year after issue or purchase, and for annuities and guaranteed interest contracts valued on a change in fund basis and which do not guarantee interest	Plan Type A	B	C

rates on considerations received more than twelve months beyond the valuation date, the factors shown in sub-subparagraph (ii) or derived in sub-subparagraph (iii) increased by: .05 .05 .05

"(v) Where cash settlement options apply to annuities and guaranteed interest contracts, the guarantee duration is the number of years that the contract guarantees interest rates in excess of the calendar year statutory valuation interest rate for life insurance policies with guarantee duration in excess of twenty years.

"(vi) Where no cash settlement options apply to annuities or guaranteed interest contracts, the guarantee duration is the number of years from the issuance or the purchase date that the policy has scheduled the annuity benefits to begin.

"(D)(i) A company may elect to value guaranteed interest contracts with cash settlement options and annuities with cash settlement options on either an issue year basis or on a change in fund basis.

"(ii) Guaranteed interest contracts with no cash settlement options and other annuities with no cash settlement options must be valued on an issue year basis.

"(iii) An issue year basis of valuation refers to a valuation basis where the interest rate used to determine the minimum valuation standard for the annuity or the guaranteed interest contract is the calendar year valuation interest rate for the issuance year or purchase year.

"(iv) The change in fund basis of valuation refers to a valuation basis where the interest rate used to determine the minimum valuation standard for each change in the annuity or the guaranteed interest contract fund is the calendar year valuation interest rate for the year that the fund changed.

"(4) The reference interest rate referred to in paragraph (2) shall be as follows:

"(A) For all life insurance, the reference rate shall be the lesser between the average rate during a thirty-six month period and the average rate during a twelve-month period ending June 30 of the calendar year preceding the issuance year.

"(B) For single premium immediate annuities and for annuity benefits involving life contingencies arising where cash settlement options apply to other annuities and to guaranteed interest contracts, the reference rate shall be the average rate during a twelve-month period ending June 30 of the calendar year of issue or purchase.

"(C) Where guarantee duration exceeds ten years and where cash settlement options for annuities and for guaranteed interest contracts have values based upon the issuance year, the reference rate shall be the least between the average rate during a thirty-six month period and the average rate during a twelve-month period ending June 30 of the calendar year of issue or purchase.

"(D) Where guarantee duration does not exceed ten years and where cash settlement options for annuities and for guaranteed interest contracts have values based upon the issuance year, the reference rate shall be the average rate during a twelve-month period ending June 30 of the calendar year of issue or purchase.

"(E) For other annuities with no cash settlement options and for guaranteed interest contracts with no cash settlement options, the reference rate shall be the average rate during a twelve-month period ending June 30 of the calendar year of issue or purchase.

"(F) Where cash settlement options apply to annuities and to guaranteed interest contracts and have values based on a change in the fund, the reference rate shall be the average rate during a twelve-month period ending June 30 of the calendar year of the change in the fund.

"(5)(A) Moody's Corporate Bond Yield Average - Monthly Average Corporate published by Moody's Investors Service, Inc., shall set the reference rates described in paragraph (4).

"(B) If the National Association of Insurance Commissioners determines that Moody's Investors Service, Inc., is no longer an appropriate source for the reference rate, then an alternative method shall be adopted by the National Association of Insurance Commissioners and approved by the Superintendent.

"(e) For life insurance plans which require the company to fix future premium determination according to the then present estimates of future experience, and for life insurance plans or annuities with minimum reserves that cannot be determined by the methods described in subsection (c)(4) and (5) and in section 20, the reserves held under the plan shall:

"(1) Be appropriated in relation to the benefits and the pattern of premiums for the plan.

"(2) Be computed by a method consistent with the principles of the Standard Valuation Law and according to regulations promulgated by the Superintendent.".

(e) Section 3 of chapter 5 (D.C. Code, sec. 35-503) is amended to read as follows:

D.C. Code, sec. 35-503 (1985 supp.)

"SEC. 3. STANDARD PROVISIONS REQUIRED IN LIFE INSURANCE POLICIES.-

"(a) No life insurance policy other than industrial insurance, annuities, and pure endowments shall be issued or delivered in the District or shall be issued by a life company organized under District laws after the 1st day of January, 1935, unless the policy has the following features:

"(1) A provision that all premiums after the first year shall be payable in advance, either at the home office of the company or to an agent of the company, upon delivery of a receipt signed by one or more of the officers who shall be designated in the policy.

"(2)(A) A provision that the insured is entitled to a grace period of at least thirty days or of one month within which the payment of any premiums after the first year may be made, subject at the option of the company to an interest charge not in excess of 6 per centum per year for the number of days of grace elapsing before the payment of the premium.

"(B) A provision that, if the policy becomes a claim during the grace period before overdue or deferred premiums of the current policy year are paid, the amount of the premiums, with interest on any overdue premiums, may be deducted from any settlement payable under the policy.

"(C) A provision that grace shall begin on the premium-paying date stated in the policy.

"(3)(A)(i) Except as provided in paragraph (3)(B) and (C), a provision that the policy shall constitute the entire contract between the parties and shall be incontestable after it has been in force during the lifetime of the insured for at least two years from its date, except for nonpayment of premiums and except for violations of the conditions of the policy relating to naval or military service during a war, and at the option of the company, provisions relative to benefits when total and permanent disability occurs and provisions granting additional insurance specifically against death by accident may also be excepted.

"(ii) All statements made by the insured shall, in the absence of fraud, be considered representations and not warranties.

"(iii) No statements by the insured shall be used in defense of a claim under the policy unless the statements are in a written application and a copy of the statements are endorsed upon or attached to the policy when issued.

"(B) A provision that nothing in this paragraph applies to applications for reinstatement.

"(C) A provision that a reinstated policy shall be contestable for fraud or for misrepresenting material facts for as long a period as provided by the original policy.

"(4) A provision that if the company discovers before the final settlement that the age of the insured (or the age of the beneficiary, if considered in determining the premium) has been wrongly stated, the amount payable under the policy shall be the amount the premium would have purchased had the correct age been stated, according to the company's rate at date of issue.

"(5)(A)(i) A provision that the policy shall participate in the surplus of the company and that any policy containing provisions for participation at the end of the first policy year and afterwards may also provide that each dividend shall be paid subject to the payment of premium for the next year.

"(ii) A provision that the insured under any annual dividend policy shall have the right each year to receive dividends from the participation paid in cash.

"(iii) A provision that if the policy

provides other dividend options, the policy shall explain which options shall be effective if the insured does not elect any of the other options by the end of the grace period allowed for paying the premium.

"(B) A provision that the requirements described in paragraph (5)(A) shall not apply to any form of paid-up insurance, temporary insurance, or pure endowment insurance issued or granted in exchange for lapsed or surrendered policies and shall not apply to nonparticipating policies.

"(6)(A)(i) Except as provided in paragraph (6)(A)(iv), (v), and (B), a provision that, after the policy has been in force for three full years, the company will loan to the insured, while the policy is in force, on proper assignment or pledge of the policy and on the sole security of the policy and at a specified interest rate, a sum equal to or, at the option of the insured, less than the amount required by section 5d.

"(ii) A provision that the company will deduct from the loan value any indebtedness not already deducted when determining the value and any unpaid balance on premiums for the current policy year.

"(iii) A provision that the company may collect, in advance, interest on the loan to the end of the current policy year.

"(iv) The provision described in paragraph (6)(A)(i) through (iii) shall not be required in term insurance, temporary insurance, or pure endowment insurance issued or granted in exchange for lapsed or surrendered policies. The policy may further provide that if the interest on the loan is not paid when due, it shall be added to the existing loan and shall bear interest at the same rate.

"(v) The specified interest rate mentioned in paragraph (6)(A)(i) shall not apply to policies issued after the effective date of the Life Insurance Amendments Reform Act of 1984.

"(B) Policies issued after the effective date of the Life Insurance Amendments Reform Act of 1984 shall include a provision describing the policy loan interest rates to be one of the following:

"(i) Not more than 8 per centum per year.

"(ii) An adjustable maximum interest rate established by the company under paragraph (6)(C).

"(C) The interest rate described in paragraph (6)(B)(ii) shall be in a policy which describes how frequently the company determines the rates, and the rates shall not exceed the higher of the following:

"(i) The published monthly average for the calendar month ending two months before the company determines the interest rate.

"(ii) The sum of 1 per centum per year and the rate used by the company when computing the cash surrender value during the applicable period.

"(D) For policies issued after the effective date of the Life Insurance Amendments Reform Act of 1984, which contain an interest rate determined pursuant to paragraph (6)(B)(ii), the following provisions shall be included in the policy:

"(i) The maximum interest rate shall be determined at least once every twelve months, at regular intervals, but not more frequently than once every three months.

"(ii) The interest rate being charged may be increased when the rate-determination standards described in paragraph (6)(C) indicate at least a 1/2 per centum per year increase in the maximum rate.

"(iii) The interest rate being charged shall be decreased when the rate-determination standards described in paragraph (6)(C) require at least a 1/2 per centum per year decrease in the maximum rate.

"(E) Except as provided in subparagraph (E)(v) and for policies issued after the effective date of the Life Insurance Amendments Reform Act of 1984, policies shall include a provision that the company shall notify, in the following manner, a policyholder who borrows under the policy:

"(i) When the company makes a cash loan, a written notice of the initial interest rate.

"(ii) When the company makes a premium loan, a written notice, within a reasonable time after the loan, of the initial interest rate.

"(iii) When the company plans to

increase the interest rate, a written notice within a reasonable time before the rate increase of the change in the rate.

"(iv) Every notice described in this subparagraph shall describe how frequently the company, under paragraph (6)(C), reevaluates the rates and also shall describe, under paragraph (6)(B), the rates either as no more than 8 per centum per year or as an adjustable rate under paragraph (6)(C).

"(v) Except as provided in subparagraph (E)(iii), notice shall not be required for premium loans added to an original premium loan described in subparagraph (E)(ii).

"(F) The loan value of the policy shall be determined according to section 5c, but no policy shall terminate in a policy year as the sole result of change in the interest rate and the life insurer shall maintain coverage until the time at which it would otherwise have terminated if there had been no increase during that policy year.

"(G) For purposes of paragraph (6)(B) through (G):

"(i) The term 'published monthly average' means Moody's Corporate Bond Yield Average - Monthly Average Corporates published by Moody's Investors Service, Inc., or any successor thereto; or in the event that Moody's Cooperate Bond Yield Average - Monthly Average Corporates is no longer published, a substantially similar average, established by regulation issued by the Superintendent.

"(ii) The rate of interest on policy loans permitted under this subsection also includes the interest rate charged on reinstatement of policy loans for the period during and after any lapse of a policy.

"(iii) The term 'policy loan' also includes any premium loan made under a policy to pay one or more premiums that were not paid to the life insurer as they fell due.

"(iv) The term 'policyholder' includes the owner of the policy or the person designated to pay premiums as shown on the records of the life insurer.

"(v) The term 'policy' also includes certificates issued by a fraternal benefit society and annuity contracts which provide for policy loans.

"(H) No other provision of law shall apply to policy loan interest rates unless made specifically applicable to such rates.

"(I) The provisions of paragraphs (B) through (H) shall not apply to any insurance contract issued before the effective date of the Life Insurance Amendments Reform Act of 1984 unless the policyholder agrees in writing to the application of such provisions.

"(7) A provision for nonforfeiture benefits and cash surrender values according to the requirements of section 5a or section 5b.

"(8) A provision specifying the options, if any, to which the policyholder is entitled in the event of default in a premium payment.

"(9) A table showing in figures the loan values and the options available under the policy each year upon default in premium payments, during at least the first twenty years of the policy or during the premium paying period if less than twenty years.

"(10) A provision that if in event of default in premium payments the value of the policy shall have been applied to the purchase of other insurance as provided for in this section, and if such insurance shall be in force and the original policy shall not have been surrendered to the company and cancelled, the policy may be reinstated within three years from such default, upon evidence of insurability satisfactory to the company and payment of arrears of premiums and the payment or reinstatement of any other indebtedness to the company upon said policy, with interest on said premium at the rate of not exceeding 6 per centum per annum payable annually, and that such reinstated policy shall be contestable, on account of suicide, fraud, or misrepresentation of material facts pertaining to the reinstatement, for the same period after reinstatement as provided in the policy with respect to the original issue. The rate of interest on policy loans permitted under this subsection also includes the interest rate charged on reinstatement policy loans for the period duirng and after any lapse of the policy.

"(11) A provision that, when a policy shall become a claim by death of the insured, settlement shall be made upon receipt of due proof of death.

"(12) A table showing the amount of installments, if any, in which the policy may provide its proceeds may be payable.

"(13) Title on the face and on the back of the policy briefly describing its form.

"(b) Any of the foregoing provisions or portions thereof not applicable to single premium or nonparticipating or term policies shall, to that extent, not be incorporated therein; and any such policy may be issued or delivered in the District which in the opinion of the Superintendent contains provisions on any 1 or more of the several foregoing requirements more favorable to the policyholder than hereinbefore required. The provisions of this section shall not apply to policies of reinsurance, or to policies issued or granted in exchange for lapsed or surrendered policies, or to group insurance.".

(f) Section 5b of chapter 5 (D.C. Code, sec. 35-507) is amended to read as follows:

D.C. Code, sec 35-507 (1985 supp.)

"SEC. 5b STANDARD NONFORFEITURE LAW FOR LIFE INSURANCE.-

"(a)(1) Except as provided in section 5b(i) and (j) and for policies issued after the operative date of this section, no life insurance policy shall be issued or delivered in the District of Columbia unless it contains the following provisions or corresponding provisions which the Superintendent considers at least as favorable to the defaulting or surrendering policyholder as the following provisions.

"(A)(i) If the insured defaults on a premium payment after premiums have been paid one full year for ordinary insurance or three full years for industrial insurance, the company shall grant, upon proper request no later than sixty days after the premium became due, a paid-up nonforfeiture benefit on a plan stipulated in the policy, and the paid-up nonforfeiture benefit shall be effective when the premiums became due.

"(ii) The company may substitute for the nonforfeiture benefit described in subparagraph (A)(i) an actuarially equal alternative paid-up nonforfeiture benefit which provides a greater amount or longer period of death benefits or a greater amount or earlier payment of endowment benefits.

"(B) If the insured defaults on a premium payment after ordinary insurance premiums have been paid for three full years or industrial insurance premiums have been paid for five full years and surrenders the policy within sixty days after the premiums became due, the company shall pay a cash surrender value instead of paying a paid-up nonforfeiture benefit.

"(C) A specified paid-up nonforfeiture benefit shall become effective unless the person entitled to make an election chooses another available option no later than sixty days after the defaulted premium became due.

"(D) If all premium payments become paid or if the company continues the policy under a paid-up nonforfeiture benefit which became effective after the eve of the third policy anniversary for ordinary insurance or after the eve of the fifth policy anniversary for industrial insurance, and if the insured surrenders the policy within thirty days after any policy anniversary, the company will pay a cash surrender value.

"(E)(i) For policies creating upon the guaranteed bases unscheduled changes in benefits or premiums or having an option for changes in benefits or premiums other than a change to a new policy, the policy shall describe or show the mortality table, the interest rate, and the method used to calculate cash surrender values and paid-up nonforfeiture benefits available under the policy.

"(ii) For all other policies, the policy shall show the mortality table and the interest rate used to calculate the cash surrender values and the paid-up nonforfeiture benefits available under the policy, together with a table showing the cash surrender value and paid-up nonforfeiture benefit available under the policy on each anniversary either during the first twenty policy years or during the term of the policy, whichever is shorter and with the values and benefits calculated upon the assumption that there are no dividends or paid-up additions credited to the policy and that there is no indebtedness to the company on the policy.

"(F)(i) The policy shall provide a brief and general statement of the method to be used in calculating the cash surrender value and the paid-up nonforfeiture benefit available on any policy anniversary after the last anniversary treated in the policy according to the manner described in subparagraph (E)(ii).

"(ii) The brief statement shall explain how paid-up additions and indebtedness on the policy changes the cash surrender values and the paid-up nonforfeiture benefits.

"(2) Any subsection (a) provision that does not apply to the plan of insurance in a policy may be omitted from the policy to the extent that the provision does not apply.

"(3) The company shall reserve the right to defer the payment of any cash surrender value until six months after payment has been demanded and until the insured has surrendered the policy.

"(b)(1) Any cash surrender value available under subsection (a) after a default on a premium due on a policy anniversary shall be at least the excess of the present value, on the anniversary, of the future guaranteed benefits which would have been provided by the policy and any existing paid-up additions, had there been no default, over the sum of the following:

"(A) The then present value of the adjusted premiums described in subsections (d) and (e), corresponding to premiums which would have become due after the eve of the anniversary.

"(B) The amount of any indebtedness to the company on the policy.

"(2) For any policy issued after the operative date of subsection (e) and which provides supplemental life insurance or annuity benefits at the option of the insured and for an additional premium by rider or by supplemental policy provision, the cash surrender value referred to in subsection (b)(1) shall be at least the sum of the cash surrender value for an otherwise similar policy issued at the same age without the rider or the supplemental policy provision and the cash surrender value for a policy which provides only the benefits otherwise provided by the rider or the supplemental provision.

"(3) For any family policy issued after the operative date of subsection (e) and which defines a 'primary insured' and provides term insurance on the life of the spouse of the primary insured for a period that shall expire before the spouse becomes seventy-one, the cash surrender value referred to in subsection (b)(1) shall be at least the sum of the cash surrender for an otherwise similar policy issued at the same age without the term insurance on the life of the spouse and the cash surrender value for a policy which provides only the benefits otherwise provided by the term insurance on the life of the spouse.

"(4) Any cash surrender value available within thirty days after any policy anniversary on a policy paid up by completion of all premium payments or a policy continued under a paid-up nonforfeiture benefit shall be at least the present value, on the anniversary, of the future guaranteed benefits provided by the policy and any existing paid-up additions, decreased by any indebtedness to the company on the policy.

"(c) Any paid-up nonforfeiture benefit available under a policy referred to in subsection (a) after a default in a premium payment due on a policy anniversary shall be in a sufficient amount for the present value on the anniversary to be at least equal to the cash surrender value then provided by the policy or, if none is provided, the cash surrender value that would have been required by this section in the absence of the condition that premiums shall be paid for at least a specified period.

"(d)(1) This subsection shall not apply to policies issued after the operative date of subsection (e).

"(2) Except as provided in paragraphs (2), (3), and (8), the adjusted premiums for any policy referred to in subsection (a) shall be calculated on an annual basis and shall be a uniform percentage of the premiums for each policy year, excluding any extra premiums charged because of impairments or special hazards, and the adjusted premiums shall equal the sum of:

"(A) The value, on the issuance date, of the future guaranteed benefits provided by the policy.

"(B) Two per centum of the amount of insurance for uniform amounts of insurance or an equal amount for amounts of insurance that vary with the duration of the policy.

"(C) Forty per centum of the adjusted

premium for the first policy year.

"(D) Twenty-five per centum of either the adjusted premium for the first policy year or the adjusted premium for a whole life policy of the same or equal uniform amount, with uniform premiums for the whole of life issued at the same age for the same amount of insurance, whichever is less.

"(3) For the percentages described in paragraph (2)(C) and (D), no adjusted premium shall exceed 4 per centum of the amount of insurance.

"(4)(A) For a policy providing an amount of insurance varying with the duration of the policy, the equal uniform amount shall be the uniform amount of insurance provided by an otherwise similar policy that contained the same endowment benefits issued at the same age for the same term, with the benefits not varying with the duration of the policy and with the benefits valued the same on the date of issue as the benefits under the policy.

"(B) For a policy providing a varying amount of insurance issued on the life of a child under age ten, the equal uniform amount may be computed as though the amount of insurance provided by the policy before the child became ten was the amount of insurance provided at age ten.

"(5)(A) The adjusted premiums for any policy providing term insurance benefits by rider or supplemental policy provision shall equal the sum of the following:

"(i) The adjusted premiums for an otherwise similar policy issued at the same age without the term insurance benefits.

"(ii) For the period when premiums for the term insurance benefits become payable, the adjusted premiums for the term insurance.

"(B) Except as provided in subparagraph (C), the equation in subparagraph (A) shall be calculated separately and according to paragraphs (1), (2), and (3).

"(C) For paragraph (2)(B), (C), and (D), the amount of insurance or equal uniform amount of insurance used to calculate the adjusted premiums referred to in subparagraph (A)(ii) shall equal the excess of the corresponding amount determined for the entire policy over the amount used to calculate the adjusted premiums described in subparagraph (A)(i).

"(6)(A) Except as provided in subsections (d) and (e), paragraph (5)(B) and (C), and paragraph (8), all adjusted premiums and present values for ordinary insurance policies shall be calculated on the basis of the Commissioners 1941 Standard Ordinary Mortality Table.

"(B) For ordinary insurance issued on female risks, adjusted premiums and present values may be calculated according to an age no more than three years younger than the actual age of the insured, and the calculations for all policies of industrial insurance shall be made on the basis of the 1941 Standard Industrial Mortality Table.

"(C)(i) All calculations shall be made on the basis of the rate of interest, not exceeeding 3 1/2 per centum per year, specified in the policy for calculating cash surrender values and paid-up nonforfeiture benefits.

"(ii) In calculating the present value of any paid-up term insurance with accompanying pure endowment offered as a nonforfeiture benefit, the rates of mortality assumed shall not exceed 130 per centum of the rates of mortality according to the applicable table.

"(iii) For insurance issued on a substandard basis, the calculation of any adjusted premiums and present values may be based on another mortality table specified by the company and approved by the Superintendent.

"(7)(A)(i) Except as provided in subparagraph (B), (C), (D), and (E) and paragraph (8) and for ordinary policies issued after the operative date of this paragraph, the adjusted premiums and present values shall be calculated on the basis of the Commissioners 1958 Standard Ordinary Mortality Table and the interest rate for calculating cash surrender values and paid-up nonforfeiture benefits shall be specified in the policy.

"(ii) Except as provided in subparagraph (A)(iii), the interest rate shall not exceed 3 1/2 per centum per year.

"(iii) An interest not exceeding 5 1/2 per centum per year may be used for policies issued after October 12, 1978.

"(B) For ordinary insurance issued on female risks, adjusted premiums and present values may be calculated according to an age no more than six years younger than the actual age of the insured.

"(C) In calculating the present value of a paid-up term insurance with pure endowment offered as a nonforfeiture benefit, the rates of mortality assumed may be no more than the rates in the Commissioners 1958 Extended Term Insurance Table.

"(D) For insurance issued on a substandard basis, the calculation of adjusted premiums and present values may be based on another mortality table specified by the company and approved by the Superintendent.

"(E)(i) After June 27, 1960, a company may file with the Superintendent a written notice of the company's election to comply with this paragraph after a specified date before January 1, 1966.

"(ii) After filing the notice, then, on the specified date, this paragraph shall become operative for ordinary policies issued by the company

"(iii) If a company makes no election, then the operative date of the paragraph for the company shall be January 1, 1966.

"(8)(A)(i) Except as provided in subparagraphs (B), (C), (D), and (E) and for industrial policies issued after the operative date of this paragraph, adjusted premiums and present values shall be calculated on the basis of the Commissioners 1961 Standard Industrial Mortality Table and the interest rate for calculating cash surrender values and paid-up nonforfeiture benefits shall be specified in the policy.

"(ii) Except as provided in subparagraph (A)(iii), the interest rate shall not exceed 3 1/2 per centum per year.

"(iii) An interest rate not exceeding 5 1/2 per centum per year may be used for policies issued after October 12, 1978.

"(B) For individual insurance issued on female risks, adjusted premiums and present values may be calculated according to an age no more than six years younger than the actual age of the insured.

"(C) In calculating the present value of any paid-up term insurance with pure endowment offered as a nonforfeiture benefit, the rates of mortality assumed shall be no more than the rates in the Commissioners 1961 Industrial Extended Term Insurance Table.

"(D) For insurance issued on a substandard basis, the calculation of adjusted premiums and present values may be based on another mortality table specified by the company and approved by the Superintendent.

"(E)(i) After October 3, 1962, a company may file with the Superintendent a written notice of the company's election to comply with this paragraph after a specified date before January 1, 1968.

"(ii) After filing the notice, then, on the specified date, this paragraph shall become operative for the industrial policies issued by the company.

"(iii) If a company makes no election, the operative date of this paragraph for the company shall be January 1, 1968.

"(e)(1) This subsection shall apply to all policies issued after the operative date of this subsection.

"(2) Except as provided in paragraph (7), the adjusted premiums for a policy shall be calculated on an annual basis and shall be the uniform percentage of the policy premiums for each policy year.

"(3) The adjusted premium shall exclude amounts payable as extra premiums to cover impairments or special hazards and shall also exclude a uniform annual contract change or policy fee described in the policy statement of the method used to calculate the cash surrender values and paid-up nonforfeiture benefits.

"(4) The present value, on the issuance date, of all adjusted premiums shall be equal to the sum of the following:

"(A) The then present value of the future guaranteed benefits provided for by the policy.

"(B) One per centum of either the amount of insurance for uniform amounts of insurance or the average amount of insurance at the beginning of each of the first ten policy years.

"(C) One hundred twenty-five per centum of the nonforfeiture net level premium.

"(5) For the percentage described in paragraph (4)(C), no nonforfeiture net level premium shall be considered in excess of 4 per centum of either the amount of insurance for uniform amounts of insurance or the average amount of insurance at the beginning of each of the first ten policy years.

"(6) The policy shall issue when the rated age of the insured is determined.

"(7) The nonforfeiture net level premium shall be equal to the present value, at the issuance date of the guaranteed benefits provided by the policy divided by the present value, on the issuance date, of an annuity of 1 per year payable when the policy issues and on each anniversary when a premium becomes due.

"(8) For policies which create in a guaranteed basis unscheduled changes in benefits or premiums or which provide an option for changes in benefits or premiums other than a change to a new policy, the adjusted premiums and present value shall initially be calculated on the assumption that future benefits and premiums do not change from benefits and premiums established when the policy issues.

"(9) When the benefits or premiums change, the future adjusted premiums, the nonforfeiture net level, and the present values shall be recalculated on the assumption that future benefits and premiums do not change from the benefits and premiums established by the change.

"(10) Except as provided by paragraph (15), the recalculated future adjusted premiums for the policy shall be the uniform percentage of the future premiums for each policy.

"(11) The recalculated future premiums shall exclude amounts payable as extra premiums to cover impairments and special hazards and shall also exclude a uniform annual contract charge or policy fee described on the policy in a statement of the method used to calculate the cash surrender values and paid-up nonforfeiture benefits.

"(12) At the time of the change to new benefits or premiums, the present value of all the future adjusted premiums shall equal the excess of the sum described in subparagraph (A) over the amount described in subparagraph (B).

"(A) The then present value of the future guaranteed benefits provided by the policy and the additional expense allowance.

"(B) The then cash surrender value or present value of paid-up nonforfeiture benefit under the policy.

"(13) At the time of the change to the new benefits or premiums, the additional expense allowance shall be the sum of the following:

"(A) One per centum of the difference, if positive, between the average amount of insurance at the beginning of each of the first ten policy years after the change and the average amount of insurance before the change at the beginning of each of the first ten years after the most recent previous change or, if there has been no previous change, the issuance date.

"(B) One hundred twenty-five per centum of the increase in the nonforfeiture net level premium.

"(14) The recalculated nonforfeiture net level premium shall equal the result obtained by dividing the equation described in paragraph (A) with the amount described in paragraph (B).

"(A) This amount equals the sum of the following:

"(i) The nonforfeiture net level premium before the change multiplied by the present value of an annuity of 1 per year payable, after the change, on each anniversary of the policy where a premium would have fallen due had the change not occurred.

"(ii) The present value of the increase in future guaranteed benefits provided by the policy.

"(B) This amount equals the present value of an annuity of 1 per year payable, after the change, on each anniversary of the policy where a premium falls due.

"(15) For a policy issued on a substandard basis which provides reduced graded amounts of insurance so that, in each policy year, the policy has the same tabular mortality cost as an otherwise similar policy issued on the standard basis which provides higher uniform amounts of insurance, adjusted premiums and present values for the substandard policy may be calculated as if they were issued to provide the higher uniform amounts of insurance on the standard basis.

"(16)(A)(i) Except as provided in subparagraphs (B) through (H), adjusted premiums and present values shall for all policies of ordinary insurance be calculated on the basis of the Commissioners 1980 Standard Ordinary Mortality Table or, at the election of the company for any specified plans of life insurance, the Commissioners 1980 Standard Ordinary Mortality Table with Ten-Year Select Mortality Factors.

"(ii) Adjusted premiums and present values shall for all policies of industrial insurance be calculated on the basis of the Commissioners 1961 Standard Industrial Mortality Table.

"(iii) Adjusted premiums and present values shall for all policies issued in a particular calendar year be calculated on the basis of a rate of interest not exceeding the nonforfeiture interest rate for policies issued in the calendar year.

"(B) At the option of the company, calculations for all policies issued in a particular calendar year may be made on the basis of an interest rate not exceeding the nonforfeiture interest rate for policies issued in the immediately preceding calendar year.

"(C) Under any paid-up nonforfeiture benefit, including any paid-up dividend additions, any cash surrender value available shall be calculated on the basis of the mortality table and the interest rate used to determine the amount of the paid-up nonforfeiture benefit and the paid-up dividend additions.

"(D) A company may calculate the guaranteed paid-up nonforfeiture benefit including any paid-up additions under the policy on the basis of an interest rate no lower than the rate specified in the policy for calculating cash surrender values.

"(E) In calculating the present value of a paid-up term insurance with pure endowment offered as a nonforfeiture benefit, the rates of mortality assumed shall be no more than the rates in the Commissioners 1980 Extended Term Insurance Table for ordinary insurance policies and no more than the Commissioners 1961 Industrial Extended Term Insurance Table for industrial insurance policies.

"(F) For insurance issued on a substandard basis, the calculation of any adjusted premiums and present values may be based on appropriate modifications of the tables described in subparagraph (E).

"(G) Any ordinary mortality tables adopted after 1980 by the National Association of Insurance Commissioners and by the Superintendent for determining the minimum norforfeiture standard may be substituted for the Commissioners 1980 Standard Ordinary Mortality Table with or without Ten-Year Select Mortality Factors or for the Commissioners 1980 Extended Term Insurance Table.

"(H) Any industrial mortality tables adopted after 1980 by the National Association of Insurance Commissioners and approved by the Superintendent for determining the minimum nonforfeiture standard may be substituted for the Commissioners 1961 Standard Industrial Mortality Table or the Commissioners 1961 Industrial Extended Term Insurance Table.

"(17) The nonforfeiture interest rate for a policy issued in a particular calendar year shall be equal to 125 per centum of the calendar year statutory valuation interest rate for the policy, as described in section 1, rounded to the nearest 1/4 per centum.

"(18) Any refiling of nonforfeiture values or their methods of computation for a previously approved policy form which involves only a change in the interest rate or mortality table used to compute nonforfeiture values shall not require refiling of other provisions of the policy form.

"(19)(A) After the effective date of this subsection, a company may file with the Superintendent a written notice of the company's election to comply with this subsection after a specified date before January 1, 1989, which shall be the operative date of this subsection for the category of insurance for the company.

"(B) If a company makes no election for a category of insurance, the operative date for the category of insurance issued by the company shall be January 1, 1989.

"(f) For life insurance with future premiums determined by the insurance company based on estimates of future experience or for life insurance with minimum values that cannot be determined according to subsections (a) through (e), the following requirements shall be complied with:

"(1) The Superintendent shall be satisfied that the benefits are substantially as favorable to policyholders and insureds as the benefits required by subsections (a) through (e).

"(2) The Superintendent shall be satisfied that the benefits and the pattern of premiums do not mislead prospective policyholders or insureds.

"(3) The cash surrender values and paid-up nonforfeiture benefits shall not be less than the minimum values and benefits required by this section.

"(g)(1) Any cash surrender value and any paid-up nonforfeiture benefit, available after a default in the payment of a premium due other than on the policy anniversary, shall be calculated with allowance for the lapse of time and the payment of fractional premiums beyond the last preceding policy anniversary.

"(2) All values described in subsections (b) through (f) may be calculated upon the assumption that any death benefit is payable at the end of the policy or contract year of death.

"(3) Besides paid-up term additions, the net value of paid-up additions shall be at least the amounts used to provide the additions.

"(4)(A) Notwithstanding subsection (b), additional benefits payable under the following conditions shall be disregarded in ascertaining cash surrender values and nonforfeiture benefits under this section.

"(i) For death or dismemberment by accident.

"(ii) For total and permanent

disability.

"(iii) Reversionary annuity or deferred reversionary annuity benefits.

"(iv) Term insurance benefits provided by a rider or by a supplementary policy provision which if issued as a separate policy would not be under this section.

"(v) Term insurance on the lives of children under a policy on the life of a parent of the children if the term insurance expires before a child's age is twenty-six, if the term insurance is uniform in amount after a child's age is one, and if the term insurance has not been paid up because of the parent's death.

"(vi) Other policy benefits in addition to life insurance, endowment benefits, and premiums for the additional benefits.

"(B) No additional benefits described in paragraph (4)(A) shall be required in paid-up nonforfeiture benefits.

"(h)(1) This subsection shall apply to policies issued after December 31, 1986.

"(2) For uniform amounts of insurance, a cash surrender value available after a default on a premium due on a policy anniversary shall not differ by more than 1/5 of one per centum of the amount of insurance from the sum of the following:

"(A) Either zero or the basic cash value, whichever is greatest.

"(B) The present value of existing paid-up additions exceeding policy indebtedness to the company.

"(3) For insurance amounts not treated in paragraph (2), a cash surrender value available after a default on a premium due on a policy anniversary shall not differ by more than 1/5 of one per centum of the average insurance amounts at the beginning of the first ten policy years from the sum of the following:

"(A) Either zero or the basic cash value, whichever is greater.

"(B) The present value of existing paid-up additions exceeding policy indebtedness to the company.

"(4)(A) Except as provided in subparagraph (B) and (C), the basic cash value shall equal the present value at the policy anniversary of the future guaranteed benefits exceeding the present value on nonforfeiture factors corresponding with premiums due after the eve of the anniversary.

"(B) The future guaranteed benefits used to determine the basic cash value excludes existing paid-up additions and, where there has been no default in premium payments, would be computed without deducting indebtedness to the company.

"(C) The basic cash value for supplemental life insurance, annuity benefits, or family coverage shall not be affected differently than cash surrender values described in subsections (b) and (d).

"(5)(A) The nonforfeiture factor for a policy year shall be a percentage of the adjusted premium for the policy year.

"(B) Except as provided in paragraph (6), the adjusted premium percentage shall comply with the following:

"(i) Except as provided in subparagraph (B)(ii), the percentage cannot change during policy years between the second policy anniversary and the fifth policy anniversary.

"(ii) Unless the fifth anniversary precedes an anniversary when a cash surrender value without paid-up additions and without indebtedness deductions equal at least 1/5 of one per centum of the amount described in subparagraph (B)(iii), the percentage cannot change during policy years between the second anniversary and an anniversary with a cash surrender value, without the additions and the deductions, equaling at least 1/5 of one per centum of the subparagraph (B)(iii) amount.

"(iii) The average amount of insurance at the beginning of the first ten policy years.

"(iv) After the latest anniversary referred to in subparagraph (B)(ii), or the fifth policy anniversary if later, no percentage may apply to fewer than five consecutive policy years.

"(6) The basic cash value shall exceed the amount that would result in the paragraph (4) formula by replacing the nonforfeiture factors with adjusted premiums.

"(7)(A) Adjusted premiums and present values shall be calculated on the mortality and interest rate bases permitted by the Life Insurance Amendments Reform Act of 1984.

"(B) The cash surrender values all include endowment benefits under the policy.

"(8)(A) Except for a defaulted premium due on a policy anniversary, a cash surrender value and a paid-up nonforfeiture benefit arising from a premium default shall be determined consistently with subsections (a) through (g).

"(B) The cash surrender values and the paid up nonforfeiture benefits granted with additional benefits shall conform with this subsection.

"(i)(1) After February 19, 1948, a company, in writing, may inform the Superintendent of the company's election to comply with this section after an expressly selected date before January 1, 1950.

"(2) After filing the notice described in paragraph (1), this section shall govern the policies and the contracts issued by the company after the date.

"(3) Except as provided in paragraph (4) and if a company does not choose a date, then, beginning January 1, 1950, this section shall govern the company.

"(4) Subsection (d)(6) and (7) and subsection (e) expressly establish dates when those provisions govern a company.

"(j)(1) This section shall not apply to the following:

"(A) Reinsurance.

"(B) Group insurance.

"(C) Pure endowment.

"(D) Annuity or reversionary annuity contract.

Enrolled Original

"(E) Uniform amounts of term policy, with no guaranteed nonforfeiture or endowment benefits and with no renewal of guaranteed nonforfeiture or endowment benefits, for a term that lasts no more than twenty years and that expires before the insured becomes age seventy-one, and with premiums payable throughout the policy term.

"(F) Decreasing amounts of term policy with no guaranteed nonforfeiture or endowment benefits, with adjusted premiums under subsections (d) and (e) exceeded by adjusted premiums for uniform amounts of term policy, for a term that lasts no more than twenty years and that expires before the insured becomes age seventy-one, and for a policy issued at the same age and for the same initial amount of insurance as originally provided by the policy.

"(G) A policy with guaranteed nonforfeiture or endowment benefits with no cash value or present value of a paid-up nonforfeiture benefit at the beginning of a policy year exceeding 2 1/2 per centum of the amount of insurance at the beginning of the policy year.

"(H) A policy delivered outside the District of Columbia by an agent of the company.

"(2) For this section, the expiration age for joint term life insurance shall be the age of the oldest life when the insurance expires.".

(g) Section 20 of chapter 5 (D.C. Code, sec. 35-526) is amended to read as follows:

D.C. Code, sec. 35-526 (1985 supp.)

"If in any contract year the gross premium charged by any life insurance company on any policy or contract is less than the valuation net premium for the policy or contract calculated by the method used in calculating the reserve thereon but using the minimum valuation standards of mortality and rate of interest, the minimum reserve required for such policy or contract shall be the greater of either the reserve calculated according to the mortality table, rate of interest, and method actually used for such policy or contract, or the reserve calculated by the method actually used for such policy or contract but using the minimum standards of mortality and rate of interest and replacing the valuation net premium by the actual gross premium in each contract year for which the valuation net premium exceeds the actual gross premium. The minimum valuation standards of mortality and rate of interest referred to in this section are those standards stated in section 1(c)(2) and (d) of chapter 5. Provided that for any life insurance policy issued on or after January 1, 1987, for which the gross premium in the first policy year exceeds that of the second year and for which no comparable additional benefit is provided in the first year for such excess and which provides an endowment benefit or a cash surrender value or a combination thereof in an amount greater than such excess premium, the foregoing provisions of this section shall be applied as if the method actually used in calculating the reserve for such policy were the method described in section 1(c)(4) of chapter 5, ignoring subsection (c)(4)(B). The minimum reserve at each policy anniversary of such a policy shall be the greater of the minimum reserve calculated in accordance with section 1(c)(4) of chapter 5, including subsection (c)(4)(B), and the minimum reserve calculated in accordance with this section.".

(h) Chapter 5 (D.C. Code, sec. 35-501 et seq.) is amended by adding new sections 25 through 30 to read as follows:

"SEC. 25. POLICY LANGUAGE SIMPLIFICATION STANDARDS.- New, D.C. Code, sec. 35-531 (1985 supp.)

"(a) Except as provided under section 27, no policy forms shall be delivered or issued for delivery in the District of Columbia after the operative date of this section, unless the forms qualify under the following standards.

"(1) The text of the form scores at least forty on the Flesch reading ease test presented to the Superintendent by the National Association of Insurance Commissioners after 1980 or on another comparable test described in subsection (c).

"(2) The forms shall be printed in at least ten-point type and shall be one-point leaded.

"(3) The style, the arrangement, and the overall appearance of the form shall not unduly highlight a portion of the text, an endorsement, or a rider.

"(4) If the policy has more than three thousand words on three pages or has more than three pages, then the form shall contain a table of contents or an index of the principal portions of the text.

"(b) A Flesch reading ease test score shall be measured by the following method:

"(1)(A) For forms containing no more than ten thousand words, the entire form shall be analyzed.

"(B) For policy forms containing more than ten thousand words, the readability of two different two hundred word samples, per page of text, may be analyzed instead of the entire form.

"(C) The samples shall be separated by at least twenty printed lines.

"(2)(A) The number of words and sentences shall be counted and the total number of words divided by the number of sentences.

"(B) The quotient shall be multiplied by 1.015.

"(3)(A) The total number of syllables shall be counted and divided by the total number of words.

"(B) The quotient shall be multiplied by 84.6.

"(4) The sum of the products described in paragraphs (2) and (3), subtracted from 206.835, equals the Flesch reading ease score.

"(5) For paragraphs (2), (3), and (4), the following shall apply:

"(A) A contraction, hyphenated word, number, and isolated letter, when separated in the text by spaces shall be counted as one word.

"(B) A unit of words ending with a period, semicolon, or colon, but excluding headings and captions, shall be counted as a sentence.

"(C) The following shall not be counted in computations described in this subsection:

"(i) The company name and address.

"(ii) The policy name, number, or title.

"(iii) The table of contents and index.

"(iv) The captions and subchapters.

"(v) The specification pages, schedules, or tables.

"(vi) Policy language drafted to conform to law or a collectively bargained agreement.

"(vii) Policy language which is medical terminology or defined in the policy.

"(D) The company shall identify the language exempted under subparagraph (C) and certify, in writing, that the language should be exempted under subparagraph (C).

"(c) Any other reading test may be approved by the Superintendent as an alternative to the Flesch reading ease test if the alternative is comparable to the Flesch reading ease test.

"(d)(1) Filings of forms shall be accompanied by a certificate signed by an officer of the company and stating that the form scored successfully on the test or that the score was inadequate but should be approved under section 53.

"(2) The Superintendent may require the submission of information to verify the certification described in paragraph (1).

"(e) At the option of the company, riders, endorsements, applications, and other forms made part of the policy form may be scored separately or as part of the policy.

"(f)(1) A form complying with subsection (a) shall be approved if the form protects policyholders and claimants at least as favorably as laws which otherwise would invalidate the use of the forms.

"(2) A policy written in a language other than English and used in the District of Columbia shall be considered in compliance with subsection (a)(1) if the company certifies that the policy has been translated from a policy written in English and complying with subsection (a)(1).

"SEC. 26. SUPERINTENDENT REVIEW OF TEST.-

New, D.C. Code, sec. 35-532 (1985 supp.)

"(a) The Superintendent, in his discretion, may, under subsection (b), permit the use of a form that scores inadequately under section 25(a)(1).

"(b) Before the Superintendent permits the use of inadequately scoring forms, the Superintendent shall find that:

"(1) A lower score more accurately reflects the readability of the form.

"(2) The particular nature of the form or of a type of forms warrants a lower passing score than required by section 52(a)(1).

"(3) Policy language drafted to conform with state law or state agency interpretation of the law has impaired the readability of the rest of the policy or has otherwise lowered the score for the rest of the policy.

"SEC. 27. APPLICABILITY.-

New, D.C. Code, sec. 35-533 (1985 supp.)

"(a) Except as provided in subsection (b), sections 50 through 57 shall apply to all policies used in the District of Columbia.

"(b) Sections 25 through 30 shall not apply to the following:

"(1) A policy which is a security under federal legislative jurisdiction.

"(2)(A) Except as provided in subparagraph (B), a group policy covering one thousand or more lines when issued, other than a group credit life insurance policy or a group credit health insurance policy.

"(B) No certificate issued pursuant to a group policy used in the District of Columbia may be exempt.

"(3) A group annuity contract which finances pension, profit-sharing, or deferred compensation plans.

"(4) A form used in connection with a contractual provision for a policy on a form permitted to be issued before the approval dates in section 30 for similar forms.

"(5) The renewal of a policy used before the approval dates in section 30 for similar forms.

"SEC. 28. REGULATIONS.-

New, D.C. Code, sec. 35-534 (1985 supp.)

"The Mayor shall issue rules to implement the provisions of this act pursuant to title 1 of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Code, sec. 1-1501 et seq.).

"SEC. 29. CONSTRUCTION.-

New, D.C. Code, sec. 35-535 (1985 supp.)

"Sections 25 through 30 shall not be construed to invalidate a law permitting the use of a policy form which has been filed for the period required by local legislation governing the forms of policies.

"SEC. 30. OPERATIVE DATES.-

New, D.C. Code, sec. 35-536 (1985 supp.)

"(a)(1) Except as described in section 27, sections 25 through 30 apply to policy forms filed two years after the effective date of the Life Insurance Amendments Reform Act of 1984.

"(2) No form shall be used in the District of Columbia five years after the effective date of the Life Insurance Amendments Reform Act of 1984 unless the form complies with section 25 or unless the Superintendent approves the form under section 26.

"(3)(A) A form permitted to be used before five years after the effective date of the Life Insurance Amendments Reform Act of 1984 and complying with section 25 need not be refiled to be approved under either sections 25 or 26.

"(B) The forms described in paragraph (3)(A) may be used in the District of Columbia after the company files with the Superintendent a list of the forms used by the company and qualifying for the paragraph (3)(A) exception, the form number for each form, and, for each form, the certificate described in section 25(d).

"(b) For individual forms and in the discretion of the Superintendent, the Superintendent may extend the deadlines described in subsection (a).".

Sec. 4. This act shall take effect after a 30-day period of Congressional review following approval by the Mayor (or in the event of veto by the Mayor, action by the Council of the District of Columbia to override the veto) as provided in section 602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; D.C. Code, sec. 1-233(c)(1)).

Chairman
Council of the District of Columbia

Mayor
District of Columbia
APPROVED: December 7, 1984

COUNCIL OF THE DISTRICT OF COLUMBIA
Council Period Five — Second Session

RECORD OF OFFICIAL COUNCIL VOTE

DOCKET NO: B 5-471

☒ Item on Consent Calendar

☒ ACTION & DATE: Adopted First Reading, 11-20-84

☒ VOICE VOTE: Unanimous

Recorded vote on request

Absent: Crawford, Moore, Smith and Wilson

☐ ROLL CALL VOTE: — RESULT ______ (/ / /)

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE					MOORE, JR.					SPAULDING				
CRAWFORD					RAY					WILSON				
JARVIS					ROLARK					WINTER				
KANE					SHACKLETON									
MASON					SMITH, JR.									

X — Indicates Vote A.B. — Absent N.V. — Present, not voting

CERTIFICATION RECORD

Russell Smith
Secretary to the Council

12/7/84
Date

☒ Item on Consent Calendar

☒ ACTION & DATE: Adopted Final Reading, 12-4-84

☒ VOICE VOTE: Unanimous

Recorded vote on request

Absent: Smith

☐ ROLL CALL VOTE: — RESULT ______ (/ / /)

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE					MOORE, JR.					SPAULDING				
CRAWFORD					RAY					WILSON				
JARVIS					ROLARK					WINTER				
KANE					SHACKLETON									
MASON					SMITH, JR.									

X — Indicates Vote A.B. — Absent N.V. — Present, not voting

CERTIFICATION RECORD

Russell Smith
Secretary to the Council

12/7/84
Date

☐ Item on Consent Calendar

☐ ACTION & DATE:

☐ VOICE VOTE:

Recorded vote on request

Absent:

☐ ROLL CALL VOTE: — RESULT ______ (/ / /)

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE					MOORE, JR.					SPAULDING				
CRAWFORD					RAY					WILSON				
JARVIS					ROLARK					WINTER				
KANE					SHACKLETON									
MASON					SMITH, JR.									

X — Indicates Vote A.B. — Absent N.V. — Present, not voting

CERTIFICATION RECORD

Secretary to the Council

Date